Message Text

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E.O. 11652: N/A

TAGS: ELAB, PINT, DA

SUBJECT: DANISH EMPLOYERS' CONFEDERATION REJECTS MEDIATION PRO-POSL

SUMMARY: THE DANISH EMPLOYERS' CONFEDERATION HAS REJECTED THE MEDIATOR'S PROPOSAL TO RESOLVE THE IM-PASSE REACHED IN THE NATIONAL WAGE NEGOTIATIONS BETWEEN THE DANISH TRADE UNION FEDERATION AND THE EMPLOYERS. UNLESS ACTION IS TAKEN BY THE FOLKETING OR ANOTHER SOLU-TION IS FOUND QUICKLY, A CRIPPLING NATIONAL STRIKE COULD BEGIN AT MIDNIGHT APRIL 15. THE GOVERNMENT IS MOVING TO MAKE THE MEDIATOR'S PROPOSAL LAW BY PARLIAMENTARY ACTION BEFORE SUCH A STRIKE BEGINS. END SUMMARY.

1. WHILE THE DANISH TRADE UNION FEDERATION'S (LO) MEMBER-SHIP VOTED TO ACCEPT THE MEDIATOR'S PROPOSAL BY A MAJORITY OF 67.4 PERCENT (TAKING INTO CONSIDERATION ONLY DIRECT ELEC-LIMITED OFFICIAL USE

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TION RESULTS AND OMITTING EXECUTIVE COMMITTEE DECISIONS WHICH WOULD RAISE THE PERCENTAGE TO 76.2 PERCENT), THE DAISH EMPLOYERS' CONFEDERATION (DEC) MEMBERSHIP REJECTED IT BY A MAJORITY OF 65.6 PERCENT. UNLESS THE DISPUTE IS RESOLVED IN OTHER WAYS, A GENERAL LABOR CONFLICT MAY LAME MOST OF DENMARK AFTER MIDNIGHT APRIL 15 (FRIDAY).

2. THE DEC'S PRINCIPAL OBJECTION TO THE MEDIATION

PROPOSAL IS INCLUSION OF A DKR. 29 (\$1.00 -

DKR. 5.97) MINIMUM WAGE - THE FIRST IN DANISH HISTORY -

FOR WORKERS COVERED BY AGREEMENTS BETWEEN THE LO AND

EMPLOYERS IN THE DEC. THE EMPLOYERS FEAR THAT ESTABLISH-

MENT OF SUCH A MINIMUM WAGE WOULD IMPACT THROUGHOUT THE

ENTIRE WAGE STRUCTURE AND SAY THAT THE MEDIATION PRO-

POSAL WOULD THUS RESULT IN WAGE INCREASES GOING FAR

BEYOND THE 2 PERCENT AGREED UPON IN THE AUGUUST COMPROMISE.

(THE DEPARTMENT WILL RECALL THIS COMPROMISE WAS AGREED

UPON IN 1976 BY SEVERAL PARTIES WHICH STILL CONSTITUTE A PARLIAMENTAR

Y

MAJORITY. THE EMPLOYERS SAY THAT MANY OF THEIR ENTERPRISES CANNOT SUPPORT SO HIGH A MINIMUM WAGE AND PREDICT THAT IMPLEMENTATION OF THE MEDIATOR'S PROPOSAL WILL RESULT IN ANNUAL WAGE INCREASES REACHING 10.6 PERCENT.

3. THE LO'S REACTION TO THE DEC REJECTION HAS BEEN TO CALL FOR IMMEDIATE ENACTMENT OF THE MEDIATOR'S PROPOSAL INTO LAW. THE LO IS SUPPORTED IN THIS STAND BY THE MINORITY SOCIAL DEMOCRATIC GOVERNMENT OF ANKER JORGENSEN WHICH IS NOW PREPARING THE WAY FOR EXPEDITIOUS PASSAGE BY THE FOLKETING OF THE UNCHANGED TEXT OF THE MEDIATOR'S PROPOSAL. MOST DANES SEEM TO BELIEVE THAT A CRIPPLING STRIKE WILL NOT BE PERMITTED BY THE PARTIES TO THE AUGUST COMPROMISE. DEAN

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